

Raised Bill No. 1154

Testimony of State Employees Bargaining Agent Coalition

Submitted by Robert J. Krzys, SEBAC spokesperson on the Health Care Cost Containment Committee

Insurance and Real Estate Committee Public Hearing

March 15, 2011

Good Afternoon. My name is Robert Krzys and I have been representing the interests of active and retired state employees for over twenty-five years on the statewide Health Care Cost Containment Committee. The HCCCC is a joint labor-management committee that governs the health care plan for state employees. Health Care benefits and all related provisions are collectively bargained by the SEBAC coalition of state employee unions and the State of Connecticut as the employer and the HCCCC meets monthly to review the status of the plan. The Office of the State Comptroller administers the State Employee Health Plan and is responsible for procuring the coverage negotiated by the parties. In addition, the Office of the Comptroller provides staff and resources to managing the State Employee Health Plan.

Section 2 of Bill No. 1154 confers broad convener authority to the Comptroller with respect to health insurance companies; health care providers; employers; and consumers. The goal is to facilitate the development and establishment provider payment reforms including patient centered medical homes and primary case management.

In the opinion of SEBAC, such an initiative is sorely needed. Bringing all the stakeholders together to implement payment and delivery reform will accelerate the pace at which Connecticut can progress to cut costs and to improve health. The public health issues in this State can be more effectively tackled and addressed through this approach.

While the State Health Plan has just launched a medical home pilot program for about 33,000 of its members, the path to such a launch has been hampered by the lack of such statutory authority due to legal restrictions surrounding antitrust issues. This section of the bill would remove those impediments and get everyone at the table to accelerate the pace of putting in place processes to improve the coordination of care and thus reduce costs. It is an important tool that should be made available.

As to Section 1 of the bill, the SEBAC coalition would reiterate its longstanding support of including municipalities in the State Plan. To the extent this section would allow

municipalities and their employee representatives a transparent way to find out what savings are possible if they opted to participate in the State Plan, it is an important step towards increasing awareness of the value of pooling and bundled purchasing in the health care arena. The prescription pooling legislation already in effect has just recently helped the City of Hartford to reduce their costs by joining with the State health plan. This provision would help extend that concept to medical plans as a whole.

Thank you .